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LOWER CAMERON AMBULANCE SERVICE DISTRICT

FINANCIAL REPORT

December 31, 2006

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Release Date 7-25-07

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Lawrence A. Cramer, CPA\* 1999  
Ralph Friend, CPA\* 2002  
Donald W. Kelley, CPA\* 2005

### **INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners  
Lower Cameron Ambulance Service District  
Creole, Louisiana

We have audited the accompanying basic financial statements of Lower Cameron Ambulance Service District, a component unit of the Cameron Parish Police Jury, as of December 31, 2006, as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Lower Cameron Ambulance Service District as of December 31, 2006, and the results of its operations, and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Lower Cameron Ambulance Service District has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purposes of forming an opinion on the basic financial statements taken as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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To the Board of Commissioners  
Lower Cameron Ambulance Service District  
Creole, Louisiana

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2007, on our consideration of Lower Cameron Ambulance Service District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of the audit.

Broussard, Poche, Lewis : Breary, L.L.P.

Lafayette, Louisiana  
June 28, 2007

LOWER CAMERON AMBULANCE SERVICE DISTRICT

BALANCE SHEET  
December 31, 2006

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 827,686
Certificates of deposits	1,740,169
Patient accounts receivable, net of allowance for estimated uncollectible accounts of \$16,091	18,502
Property tax receivable, net of allowance of \$32,345	351,085
Due from other governmental agencies	596,377
Other receivables	35,087
Prepaid expenses	24,740
Inventories	<u>12,960</u>

Total current assets \$ 3,606,606

CAPITAL ASSETS

Property, plant and equipment, at cost, less accumulated depreciation of \$366,772	<u>180,678</u>
--	----------------

Total assets \$ 3,787,284

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 74,723
Accrued liabilities	<u>28,862</u>

Total current liabilities \$ 103,585

NET ASSETS

Invested in capital assets net of related debt	\$ 180,678
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Unrestricted	<u>3,503,021</u>
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Total net assets \$ 3,683,699

Total liabilities and net assets \$ 3,787,284

See Notes to Financial Statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Year Ended December 31, 2006

Operating revenues:

Net patient service revenues (net of provision for bad debts of \$28,253)	\$ 67,018
Other operating revenues	<u>101</u>

Total operating revenues	<u>\$ 67,119</u>
--------------------------	------------------

Operating expenses:

Salaries & and payroll taxes	\$ 560,618
Depreciation expense	56,321
Dispatch services	20,000
Education and travel	1,917
Employee benefits	101,803
Fuel expense	8,424
Insurance expense	46,493
Medical director	3,000
Professional fees	8,385
Rent	450
Repairs & maintenance	10,816
Retirement expense	10,403
Supplies	44,363
Telephone	10,481
Utilities	9,917
Other expenses	<u>6,501</u>

Total operating expenses	<u>\$ 899,892</u>
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Operating loss	<u>\$ (832,773)</u>
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Non-operating revenues:

Ad valorem taxes	\$ 927,960
Investment income	<u>110,050</u>

Total non-operating revenues	<u>\$ 1,038,010</u>
------------------------------	---------------------

Increase in net assets	\$ 205,237
------------------------	------------

Net assets beginning of year	<u>3,478,462</u>
------------------------------	------------------

Net assets end of year	<u>\$ 3,683,699</u>
------------------------	---------------------

See Notes to Financial Statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

STATEMENT OF CASH FLOWS  
Year Ended December 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from and on behalf of patients	\$ 62,841
Payments to employees	(559,309)
Payments to suppliers and contractors	(246,612)
Other receipts and payments, net	<u>101</u>

Net cash used by operating activities	\$ <u>(742,979)</u>
---------------------------------------	---------------------

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:

Ad valorem taxes	\$ <u>1,135,309</u>
------------------	---------------------

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchase of capital assets	\$ (8,994)
Capital grant income	\$ 52,675
Insurance proceeds from involuntary conversion of capital assets	<u>10,469</u>

Net cash provided by capital and financing activities	\$ <u>54,150</u>
---	------------------

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest income	\$ 94,338
Purchase of certificates of deposit, net of renewals	<u>(417,769)</u>

Net cash used by investing activities	\$ <u>(323,431)</u>
---------------------------------------	---------------------

Net increase in cash and cash equivalents	\$ 123,049
---	------------

Cash and cash equivalents, beginning of year	<u>704,637</u>
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Cash and cash equivalents, end of year	\$ <u>827,686</u>
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LOWER CAMERON AMBULANCE SERVICE DISTRICT

STATEMENT OF CASH FLOWS (continued)  
Year Ended December 31, 2006

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY  
OPERATING ACTIVITIES:

Operating loss	\$ (832,773)
Adjustment to reconcile operating loss to net cash flows used in operating activities:	
Depreciation	56,321
Provision for bad debts	28,253
(Increase) decrease in assets:	
Patient accounts receivable	(32,430)
Prepaid expense	578
Inventories	1,115
Increase in liabilities:	
Accounts payable	34,648
Accrued expenses	<u>1,309</u>
Net cash used by operating activities	<u>\$ (742,979)</u>

See Notes to Financial Statements.

## LOWER CAMERON AMBULANCE SERVICE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

#### Note 1. Description of Organization and Summary of Significant Accounting Policies

Lower Cameron Ambulance District was established by the Cameron Parish Policy Jury, by virtue of the authority of R.S. 33:9053, et, seq. The purpose of the Ambulance District is to provide ambulance services to Lower Cameron Parish. The board is appointed by the Cameron Parish Police Jury.

As the governing authority of the Parish, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity for the Ambulance District. Accordingly, the Ambulance District was determined to be a component unit of the Cameron Parish Police Jury based on GASB Statement No. 14, *The Financial Reporting Entity*. The accompanying financial statements present only the Ambulance District.

The accompanying basic financial statements of the Ambulance District have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. GASB 34 established standards for external financial reporting for all state and local governmental entities, which included a balance sheet or statement of net assets, a statement of revenues, expenditures and changes in net assets, and a statement of cash flows utilizing the direct method of presentation. The statement requires the classification of net assets into four components-invested in capital assets, net of related debt; restricted expendable net assets; restricted nonexpendable net assets; and unrestricted net assets. *Net assets invested in capital assets net of related debt* consist of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. *Restricted expendable net assets* are non-capital net assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Ambulance District. *Restricted nonexpendable net assets* equal the principal portion of permanent endowments. *Unrestricted net assets* are remaining net assets that do not meet the definition of *invested in capital assets net of related debt* or *restricted*. These and other changes are reflected in the accompanying basic financial statements (including the notes to the financial statements).

The more significant policies of the Ambulance District are described below:

#### Method of Accounting:

The Ambulance District utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual method. The Ambulance District's accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:514 and to the guide set forth in the *Louisiana Governmental Audit Guide*, and the *Audit and Accounting Guide - Health Care Organizations*, published by the American Institute of Certified Public Accountants, and standards established by the Governmental Accounting Standards Board (GASB), which is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

## LOWER CAMERON AMBULANCE SERVICE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

#### Accounting Standards:

Pursuant to the GASB (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Ambulance District has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

#### Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash and cash equivalents:

For purposes of the statement of cash flows, the Ambulance District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Under state law, the Ambulance District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana Law or any other state of the United States, or under the laws of the United States.

#### Trade receivables and allowance for uncollectible accounts:

Trade receivables are carried at the original billed amount less an estimate made for uncollectible accounts based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for uncollectible accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Trade receivables are written-off when deemed uncollectible. Recoveries of trade receivables previously written-off are recorded when received.

#### Inventories:

Inventories are valued at the latest invoice price, which approximates the lower of cost (first-in, first-out method) or market.

#### Capital assets:

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of each class of depreciable assets.

Ambulances	5 years
Building improvements	5 - 10 years
Equipment	5 - 10 years
Building	25 years

## LOWER CAMERON AMBULANCE SERVICE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

#### Net patient service revenues:

Net patient service revenues are reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

#### Grants and donations:

Revenues from grants and donations (including capital contributions of assets) are recognized when all eligibility requirements, including time requirements are met. Grants and donations may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as non-operating revenues. Amounts restricted to capital acquisitions are reported after non-operating revenues and expenses.

#### Operating revenues and expenses:

The Ambulance District's statement of revenues, expenses and changes in net assets distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services-the District's principal activity. Non-exchange revenues, including taxes, grants and contributions received for purposes other than capital asset acquisition, are reported as non-operating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

#### Income taxes:

The Ambulance District is a political subdivision and exempt from taxes.

#### Restricted resources:

When the Ambulance District has both restricted and unrestricted resources available to finance a particular program, it is the District's policy to use restricted resources before unrestricted resources.

#### Risk management:

The Ambulance District is exposed to various risks of loss from tort; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health. Commercial insurance coverage is purchased for claims arising from such matters.

#### Environmental Matters:

The Ambulance District is subject to laws and regulations relating to the protection of the environment. The Ambulance District's policy is to accrue environmental and cleanup related costs of a non-capital nature when it is both probable that a liability has been incurred and when the amount can be reasonably estimated. Although it is not possible to quantify with any degree of certainty, the potential financial impact of the Ambulance District's continuing compliance efforts, management believes any future remediation or other compliance related costs will not have a material adverse effect on the financial condition or reported results of operations of the Ambulance District. At December 31, 2006, management is not aware of any liability resulting from environmental matters.

## LOWER CAMERON AMBULANCE SERVICE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

#### Note 2. Net Patient Service Revenues

The Ambulance District has agreements with third-party payors that provide for payments to the District at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- Medicare** – Covered ambulance services are paid based on a fee schedule.

- Medicaid** – Covered ambulance services are paid based on a fee schedule.

During the year ended December 31, 2006, approximately 19% of the Ambulance District's gross patient services were furnished to Medicare and Medicaid beneficiaries.

The Ambulance District also has entered into payment arrangements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Ambulance District under these agreements includes prospectively determined rates per ambulance trip, discounts on charges, and prospectively determined rates.

The Ambulance District also gives a parish resident discount to any resident of the parish who uses ambulance services. The Ambulance District bills private insurance companies, Medicare or Medicaid, or any other coverage of the patient and accepts this as payment in full from the resident.

#### Note 3. Bank Deposits and Investments

The Ambulance District's investing is performed in accordance with investment policies complying with state statutes. Funds may be invested in time deposits, money market investment accounts or certificates of deposit with financial institutions insured by FDIC; direct obligations of the United States Government and its agencies; commercial paper issued by United States Corporations with a rating of A-1 (Moody's) and P-1 (Standard and Poor's) or higher; and government backed mutual trust funds. At December 31, 2006, the Ambulance District's funds consisted solely of demand deposits and certificates of deposits. These deposits are stated at cost, which approximates market.

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Ambulance District's deposits may not be returned to it. State law requires collateralization of all deposits with federal depository insurance and other acceptable collateral in specific amounts. The Ambulance District's policy requires that all bank balances be insured or collateralized by the financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage (FDIC). These securities must be pledged in the Ambulance District's name. As of December 31, 2006, \$200,000, of the Ambulance District's deposits were secure from risk by FDIC coverage and \$2,386,526 of securities pledged by the financial institution. Accordingly, the Ambulance District had no custodial credit risk related to its deposits at December 31, 2006.

# LOWER CAMERON AMBULANCE SERVICE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### Note 4. Accounts Receivable

Patient accounts receivable reported as current assets by the Ambulance District at December 31, 2006 consisted of these amounts:

#### Patient Accounts Receivable

Receivable from patients and their insurance carriers	\$ 34,441
Receivable from Medicaid	<u>152</u>
Total patient accounts receivable	\$ 34,593
Less allowance for uncollectible amounts	<u>(16,091)</u>
Patient accounts receivable, net	<u>\$ 18,502</u>

### Note 5. Concentrations of Credit Risk

The Ambulance District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31, 2006 was as follows:

Medicaid	2%
Other third-party payors/patients	<u>98%</u>
	<u>100 %</u>

### Note 6. Ad Valorem Taxes

The Ambulance District's property tax is levied by the parish on the taxable real property in the district in late October of each year. Bills are sent out in November of each year at which time the Ambulance District records the tax revenue, and become a lien in the following March. The collection period for the Ambulance District's property taxes is from December (at which time they become delinquent) to the succeeding May.

Pursuant to Act No. 1140 of the 2001 Regular Legislative Session, protested ad valorem tax receipts are no longer segregated and held pending the outcome of the protest lawsuit. Instead, these payments are remitted to the Ambulance District. If the taxpayer successfully wins the protest lawsuit, the Ambulance District is liable to pay the taxpayer the protested tax amount plus interest. At December 31, 2006, the amount of protested ad valorem taxes paid, pending the outcome of protest lawsuits was \$593,372.

# LOWER CAMERON AMBULANCE SERVICE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### Note 7. Capital Assets

Capital asset additions, retirements and balances for the year ended December 31, 2006 were as follows:

	December 31,			December 31,
	2005	Additions	Retirements	2006
Land	\$ 16,000	\$ -	\$ -	\$ 16,000
Equipment	63,209	-	-	63,209
Office equipment	25,547	1,404	-	26,951
Buildings and improvements	94,640	7,590	-	102,230
Ambulances	339,060	-	-	339,060
Total historical cost	<u>\$ 538,456</u>	<u>\$ 8,994</u>	<u>\$ -</u>	<u>\$ 547,450</u>
Less accumulated depreciation for:				
Equipment	\$ (21,674)	\$ (9,671)	\$ -	\$ (31,345)
Office equipment	(15,573)	(3,019)	-	(18,592)
Buildings and improvements	(374)	(4,260)	-	(4,634)
Ambulances	<u>(272,830)</u>	<u>(39,371)</u>	<u>-</u>	<u>(312,201)</u>
Total accumulated depreciation	<u>\$ (310,451)</u>	<u>\$ (56,321)</u>	<u>\$ -</u>	<u>\$ (366,772)</u>
Capital assets, net	<u>\$ 228,005</u>	<u>\$ (47,327)</u>	<u>\$ -</u>	<u>\$ 180,678</u>

Depreciation expense for the year ended December 31, 2006 amounted to \$56,321.

### Note 8. Compensated Absences

Employees' vacation benefits are recognized in the period earned. Accrued compensated absences at December 31, 2006 totaled \$17,935 which is included in accrued liabilities on the balance sheet.

### Note 9. Simple IRA Plan

The Ambulance District has a Simple IRA Plan covering all eligible employees as of June 2002. Employees can contribute a maximum of \$10,000 for the 2006 tax year. The Ambulance District contributes 2% of compensation to each eligible employee's Simple IRA for the year. Total Simple IRA plan expenses for the year ended 2006 were \$10,403.

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## **SUPPLEMENTARY INFORMATION**

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULE OF NET PATIENT SERVICE REVENUE

Year Ended December 31, 2006

Gross patient service revenues	\$ 166,711
Less:	
Medicare and Medicaid contractual adjustments	(12,977)
Provision for uncollectible accounts	(28,253)
Parish resident discounts	(58,237)
Insurance and other discounts	<u>(226)</u>
Net patient service revenue	<u>\$ 67,018</u>

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULES OF BOARD FEES  
Year Ended December 31, 2006

Board Members

The Ambulance District's board members did not receive any compensation during the year ended December 31, 2006.

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Members of American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners  
Lower Cameron Ambulance Service District  
Creole, Louisiana

We have audited the basic financial statements of the Lower Cameron Ambulance Service District for the year ended December 31, 2006, and have issued our report thereon dated June 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Lower Cameron Ambulance Service District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lower Cameron Ambulance Service District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lower Cameron Ambulance Service District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the Lower Cameron Ambulance Service District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Lower Cameron Ambulance Service District's financial statements that is more than inconsequential will not be prevented or detected by the Lower Cameron Ambulance Service District's internal control. We consider the deficiency described in 2006-1 of the accompanying schedule of findings and questioned costs to be significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Lower Cameron Ambulance District's internal control.

To the Board of Commissioners  
Lower Cameron Ambulance Service District

#### **Internal Control Over Financial Reporting (continued)**

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we do not believe that the significant deficiency described above is a material weakness.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lower Cameron Ambulance Service District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Lower Cameron Ambulance Service District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Lower Cameron Ambulance Service District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the Ambulance District, federal award agencies, pass-through entities, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Broussard, Poche, Lewis & Brant, L.L.P.*

Lafayette, Louisiana  
June 28, 2007

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2006

We have audited the basic financial statements of Lower Cameron Ambulance Service District as of and for the year ended December 31, 2006, and have issued our report thereon dated June 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the basic financial statements as of and for the year ended December 31, 2006, resulted in an unqualified opinion.

**Section I. Summary of Auditor's Reports**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ☐ Yes ☒ No Significant Deficiency identified that is not considered to be a material weakness ☒ Yes ☐ No

Compliance

Noncompliance Material to Financial Statements ☐ Yes ☒ No

Was a management letter issued? ☐ Yes ☒ No

**Section II. Financial Statement Findings**

2006-1 Segregation of Duties

Finding: The Ambulance District does not have adequate segregation of duties. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize the Ambulance District may not be large enough to permit such procedures, it is important that the Ambulance District be aware of this condition. This condition was also included in the 2005 audit as item 2005-1.

Recommendation: Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the board should review financial information on a timely basis.

Response: The Ambulance District is aware of and evaluated this problem and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. However, the Ambulance District will continue to monitor this issue and the board will review financial information on a timely basis.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2006

**Section I. Internal Control and Compliance Material to the Financial Statements**

**2005-1 Segregation of Duties**

**Finding:** The Ambulance District does not have adequate segregation of duties. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize the Ambulance District may not be large enough to permit such procedures, it is important that you be aware of this condition.

**Recommendation:** Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible.

**Current status:** NOT RESOLVED – The Ambulance District is aware of and has evaluated this issue and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. The Ambulance District will continue to monitor this issue with segregation of duties, and continues to review all financial information on a timely basis. This finding is also included in the audit report for the year ended December 31, 2006, and described in 2006-1.

**Section II. Internal Control and Compliance Material to the Federal Awards**

Not applicable.

**Section III. Management Letter**

There were no matters reported in a separate management letter for the fourteen month period ended December 31, 2005.

THIS SCHEDULE HAS BEEN PREPARED BY MANAGEMENT





**Lower Cameron Ambulance Service District**

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**MANAGEMENT CORRECTIVE ACTION PLAN**

June 28, 2007

Legislative Auditor  
State of Louisiana  
P.O. Box 94397  
Baton Rouge, Louisiana 70804-9397

Lower Cameron Ambulance Service District respectfully submits the following corrective action plan for the year ended December 31, 2006.

Name and address of independent public accounting firm:

Broussard, Poche', Lewis & Breaux, L.L.P.  
Certified Public Accountants  
101 Independence Blvd  
Lafayette, Louisiana 70506

Audit Period: January 1, 2006 through December 31, 2006.

The findings from the 2006 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditor's Reports, does not include findings and is not addressed.

**Section II: Financial Statement Findings**

**2006-1 Segregation of Duties**

**Recommendation:** Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the board should review financial information on a timely basis.

**Response:** The Ambulance District is aware of and evaluated this problem and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. However, the Ambulance District will continue to monitor this issue and the board will review financial information on a timely basis.

**Responsible party:** Byron Broussard, Director

**LOWER CAMERON AMBULANCE SERVICE DISTRICT**